

Impact Statement
For
Livermore Valley Joint Unified School District
Regarding
Livermore Valley Charter School

INTENT

This statement is intended to fulfill the terms of Education Code Section 47605(g) and provides information regarding the proposed operation and potential effects of Livermore Valley Charter School (the “School”), a charter School, on Livermore Valley Joint Unified School District (LVJUSD). This document is intended for informational purposes only and to assist LVJUSD in understanding how the proposed School may affect LVJUSD. This, as an informational document, does not constitute a legally binding contract or agreement, is not intended to govern the relationship of the School and LVJUSD, and is not a part of the charter of the School or any related agreements or memoranda of understanding.

ESTIMATED NUMBER OF STUDENTS

The School plans to enroll approximately 480 K-5th grade students in its first year of operation, 2004-05. It intends to add one grade per year (i.e., 6th grade in the 2005-2006 school year) until the School is a K-8th grade school. At full grade K-8th build out, the School will have approximately 720 students. Based on these enrollment projections, the School estimates that it will require twenty-eight teachers, one principal, and one office manager to operate effectively in its first year.

SUPPORT SERVICES

A School principal will assume the lead responsibility for administering The School under the policies adopted by the Livermore Valley Charter School (“LVCS”) Board of Directors. The School will provide or procure its own administrative services, including, but not limited to, financial management and personnel. However, LVCS is interested in discussing fee for service arrangements for services from the District if available.

PROCESS AND POLICIES BETWEEN THE SCHOOL AND LVJUSD

In accordance with Education Code Section 47613, the District may charge for the actual costs of supervisorial oversight not to exceed 1 percent of the revenue of the charter school to be increased to 3 percent of the revenue of the charter school if the charter school is able to obtain substantially rent free facilities from the chartering agency. “Revenue” is defined in accordance with Education Code Section 47613(f) as the general purpose entitlement and categorical block grant, as defined in Education Code Section 47632(a) and (b).

“Supervisory oversight,” as used in Education Code Section 47613 and Education Code Section 47604.32, shall include the following:

- All activities related to the Charter revocation and renewal and processes as described in Section 47607.
- Activities relating to monitoring the performance and compliance of the Charter School with respect to the terms of its Charter, related agreements, and all applicable laws.
- Participating in the dispute resolution process described in the Charter.
- Review and timely response to the Charter School’s Annual Independent Fiscal and Performance Audit.
- Identify at least one Staff member as a contact person for the Charter School.
- Visit the Charter School at least annually.
- Monitor the fiscal condition of the Charter School.
- Provide timely notification to the California Department of Education if any of the following circumstances occur:
 - A renewal of the charter is granted or denied.
 - The charter is revoked.
 - The Charter School will cease operation for any reason.

CHARTER RENEWAL

The School's initial charter shall expire five years after approval by LVJUSD. During that period, the School is responsible for demonstrating progress and meeting goals of the Charter. LVCS may present a petition to renew or amend the Charter at any time and LVJUSD agrees to respond to such petitions pursuant to the process and timelines specified in Education Code Section 47605 and Education Code Section 47607 or its successors. Each Charter renewal shall be for a period of five years. The progress and accomplishments of the School shall be measured according to criteria stated in the sections on the performance along the criteria provided by law.

FACILITIES

The School will initially operate on one site within LVJUSD boundaries. The School strongly desires to locate the School in the closed facility of the Arroyo Mocho Elementary School. The School shall discuss with LVJUSD the specific terms, rights, and responsibilities related to the location of the School on an LVJUSD facility pursuant to Education Code Section 47614 and its implementing regulations. If that facility is not available, the Petitioners seek and desire to locate the School in the closed facility of the Almond Elementary School. If that facility is not available, the petitioners shall search for a facility meeting within the LVJUSD boundaries that meet the following criteria: 1) approximately 40,000 square feet; 2) a contiguous school site that can safely accommodate our anticipate initial first year enrollment of 480 students. We would anticipate that the site contain a minimum of 25 classrooms, a library, multi-purpose room and supportive space for administrative and staff personnel.

CIVIL LIABILITY

The School shall be operated as a California non-profit public benefit corporation, Livermore Charter Schools ("LVCS"). LVCS is organized and operated exclusively for charitable purposes within the meaning of Section 501(c) (3) of the Internal Revenue Code and California Revenue and Taxation Code Section 23701d. The central objective of the corporation is to provide public education for residents of the State of California, in accordance with the Charter Schools Act, California Education Code Section 46700, et seq.

As such, in accordance with Education Code Section 47604(c), if the District complies with all oversight responsibilities required by law, the District shall not be liable for the debts or obligations of the Charter School or for claims arising from the performance of acts, errors, or omissions by the Charter School.

Further, the School and LVJUSD shall enter into a Memorandum of Understanding (MOU), which shall provide for indemnification of LVJUSD.

The corporate bylaws of LVCS shall provide for indemnification of LVCS' Board of Directors, officers, agents, and employees, and LVCS will purchase general liability

insurance to secure against financial risks. LVJUSD shall be named as an additional insured on LVCS' general liability insurance covering The School.

The LVCS Board of Directors will institute appropriate risk management practices, including screening of employees where appropriate, establishing codes of conduct for students, staff, and participating families, and establishing procedures governing financial transactions and dispute resolution.

FINANCIAL STATEMENTS

A multi-year financial plan for the School is attached. This plan is based on the best data available to the petitioners at this time. It contains: a first-year operational budget, cash flow and analyses for the first five years of operation, financial projections for the first five years of operation, planning assumptions, start-up costs, and an annual operating budget.

The School will maintain a minimum reserve requirement ending balance of not less than 3% as reflected in the attached annual operating budgets.